UNITED
NATIONS

E

Economic and Social Council

Distr.
LIMITED

E/C.10/1993/L.6
12 April 1993

ORIGINAL: ENGLISH

COMMISSION ON TRANSNATIONAL
CORPORATIONS
Nineteenth session
5-15 April 1993
Agenda items 3, 4, 5 and 6

GENERAL DISCUSSION ON TRANSNATIONAL CORPORATIONS IN THE WORLD ECONOMY AND TRENDS IN FOREIGN DIRECT INVESTMENT IN DEVELOPING COUNTRIES

ROLE OF TRANSNATIONAL CORPORATIONS IN THE NEWLY OPENED ECONOMIES OF CENTRAL AND EASTERN EUROPE

TRANSNATIONAL CORPORATIONS IN SERVICES, INCLUDING BANKING

INTERNATIONAL, REGIONAL AND BILATERAL ARRANGEMENTS AND AGREEMENTS RELATING TO TRANSNATIONAL CORPORATIONS

Colombia*: draft resolution

Strengthening the role of the Commission on Transnational Corporations

The Economic and Social Council,

1. Takes note of the reports prepared for the Commission on Transnational Corporations at its nineteenth session;

2. Reaffirms the validity of the mandates of the Commission on Transnational Corporations and the need to further strengthen its role as the focal point within the United Nations system for comprehensive intergovernmental consideration of issues concerning foreign direct investment as related to transnational corporations;

---

* On behalf of the States Members of the United Nations that are members of the Group of 77.

3. Emphasizes the need for the Secretary-General to reinforce the role of the Commission in strengthening the capacity of developing countries, at their request, to deal with transnational corporations by providing technical cooperation, consultative and advisory services, training, research and information to those countries;

4. Requests the Secretary-General to present a report to the next session of the Commission on Transnational Corporations on its activities aimed at strengthening the role of the joint units established with the regional commissions;

5. Requests also the Secretary-General, in coordination with multilateral organizations and financial institutions, to strengthen technical cooperation to developing countries in the creation of a favourable investment climate in the context of their economic programmes;

6. Invites the Governments of developed countries to increase their activities aimed at promoting foreign investment in developing countries in the context of the modernization of production in which the latter are engaged;

7. Emphasizes the importance of continuing, on the part of the Secretary-General, the studies on the global trends and the determinants of foreign direct investment flows as related to transnational corporations and the impact of those trends and flows on developing countries;

8. Requests the Secretary-General to submit to the next session of the Commission on Transnational Corporations an analytical report on the flows of foreign direct investment to developing countries, in particular to the least developed countries, with recommendations on how to improve those flows and, as appropriate, to redress the drop in foreign direct investment;

9. Further requests the Secretary-General to submit to the Commission at its next session an analytical and comparative report on the role of transnational corporations in Africa, with recommendations on ways and means to improve foreign direct investment inflows throughout the African continent;

10. Takes notes of the regional conference on foreign investment flows in 1992 in Latin America and welcomes the initiative to organize a similar meeting in 1993 in Africa at the ministerial level;

11. Stresses the importance of continuing, on the part of the Secretary-General, the work being done in the area of transnational corporations in services and of intensifying technical cooperation to developing countries, at their request, for dealing with transnational corporations in services;

12. Requests further the Secretary-General, in technical cooperation activities, to continue to promote and to provide advice on foreign direct investment as a way of encouraging interregional, regional and subregional economic integration and technical and economic cooperation among developing countries;

13. Requests the Secretary-General to continue activities in matters relating to the role of transnational corporations in the development of small- and medium-sized enterprises;

14. Takes note of the results of the consultations convened by the President of the General Assembly on the draft code of conduct on transnational corporations from 21 to 23 July 1992;

15. Requests the Secretary-General to prepare for the Commission on Transnational Corporations at its twentieth session suitable background papers and recommendations for a fresh approach to an international framework on foreign investment, which might include the preparation of guidelines, taking into account the views of the Member States on such matters;

16. Calls upon donor countries, in particular developed countries, to increase financial support flows for research, advisory and information work as it relates to foreign investment;

17. Takes note of the report of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting, and reaffirms the importance of the Group's work in contributing to greater transparency in the activities of transnational corporations;

18. Calls upon Member States to exchange information among themselves, their interested private sectors and all competent organs, organizations and bodies of the United Nations system on their activities, programmes and experiences related to the promotion of investment in developing countries;

19. Reiterates the urgent need for the removal of the remaining obstacles to the creation of an atmosphere conducive to constitutional negotiations in South Africa;

20. Recognizes that multilateral financial institutions such as the World Bank and the International Monetary Fund are unable to resume their lending activities to South Africa as a result of the inhibiting political situation in that country, such as the ongoing violence;

21. Reiterates further its obligations towards the complete eradication of apartheid, reaffirmed in General Assembly resolutions 45/176 A of 19 December 1990, 46/79 A of 13 December 1991, 47/116 A of 18 December 1992 and the Declaration of Apartheid and its Destructive Consequences in Southern Africa, contained in the annex to General Assembly resolution S-16/1 of 14 December 1989;

22. Reaffirms that Governments, entrepreneurs and enterprises, including transnational corporations, have contributed to the demise of the apartheid system, and invites them to give their full and concerted support to that end, and to take appropriate measures regarding the vulnerable and critical process now under way in South Africa, with the aim of achieving the total eradication of the apartheid system and the establishment of a united non-racial and democratic South Africa;

23. Requests the Secretary-General:

(a) In close cooperation with the relevant organs of the United Nations, to continue the work of collecting and disseminating information on the activities of transnational corporations conducting operations in South Africa;

(b) To continue preparing studies on the level, form and responsibilities of the operations of transnational corporations in South Africa, including their non-equity business arrangements and their involvement in particular sectors of the South African economy;

(c) To continue examining possible contributions of transnational corporations to the construction of a united and non-racial democratic South Africa in the economic and social fields, taking into account the special need for the development of human resources, particularly the training of black South African entrepreneurs, and for employment, housing and health;

(d) To report to the Commission on Transnational Corporations at its twentieth session, the Economic and Social Council and the General Assembly on the implementation of the present resolution;

24. Requests the Secretary-General to report to the Commission at its twentieth session on the implementation of the present resolution.